Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Application by BellSouth	)	
for Authorization to Provide In-Region,	)	CC Docket No. 02-35
InterLATA Services in Georgia and Louisiana	)	
	)	

DECLARATION OF SHERRY LICHTENBERG

1. I am the same Sherry Lichtenberg who filed a declaration on OSS in response to BellSouth's application for section 271 authorization in Georgia and Louisiana on March 4, as well as declarations in response to BellSouth's application for these same states last Fall. The purpose of this reply declaration is to update my discussion of the status of BellSouth's OSS development. I will not repeat what I have said previously but instead will only comment on what has changed.

2. Unfortunately, the only significant OSS development in recent weeks is the introduction of a single C order process to reduce the loss of dial tone. It is too early to assess whether this change has been successful. Otherwise, the key defects we have focused on previously continue to exist. Most fundamentally, with one apparent exception, BellSouth has yet to agree to vital modifications to its change management process. It is essential that BellSouth fix this process, because without a more effective change management process, even systems that are working today will assuredly be inadequate tomorrow.

Line Loss Notification

3. BellSouth is not yet transmitting accurate line loss reports – which almost certainly is leading to double billing of a significant number of customers. After performing its analysis

showing that 2.3% of the line loss notifications continue to be left off of the NDM file that BellSouth transmits to MCI, MCI provided this analysis to BellSouth on March 5. As we show below, the problem has only worsened despite BellSouth's ostensible fix on February 28 to improve the comprehensiveness of the line loss report.

4. The February 28 fix was supposed to ensure that all line losses were included on the NDM report. Previously, one cause of the incomplete line loss reports was that, when a customer switched from MCI to BellSouth, BellSouth retail representatives manually had to place a code on the retail order for the order to show up in the line loss reports. The February 28 fix was supposed to eliminate this problem by putting an edit in the system to ensure the representatives added the proper code.

5. On March 18, however, MCI received a phone call from BellSouth informing us that there is apparently an additional problem with the line loss reports that BellSouth had not previously reported. BellSouth explained that the NDM file MCI receives uses the Major Account Number ("MAN") FID to show line loss, while the web site uses the Alternate Exchange Carrier Name ("AECN") FID. Yesterday, on March 27, BellSouth called to say that the NDM script is only retrieving the MAN FID when it should be retrieving the AECN information. This is the first time that BellSouth has provided this explanation even though MCI has been asking about line loss issues since last August.

6. BellSouth claimed in its phone calls that it will fix the AECN/MAN issue on April 7, and we hope that it does so. In the interim, BellSouth again plans to transmit recovery data showing what is missing from the line loss report, again forcing MCI into a manual work around that precludes it from using its automated systems. For now, it is clear that MCI cannot rely on the automated NDM report to obtain line loss information. Indeed, the problem appears to be much

worse than we reported previously. On March 5, MCI pulled 2,101 telephone numbers reported as lost on BellSouth's web site. As of March 25, BellSouth had transmitted only 1,666 of these on the NDM report – a failure rate of *more than 20%*. On March 11, MCI pulled 1,991 telephone numbers from the web site. As of March 25, BellSouth had transmitted only 1,583 of these on the NDM report, which again is a failure rate of more than 20%. (Att. 1.)[1]

7. KPMG recently opened Exception 158 in Florida because "BellSouth's CLEC Line Loss Report does not update in a timely manner." (Att. 2.) KPMG found that BellSouth failed to post 29% of line loss reports to its *web site* in a timely manner. As I discussed above, many of the line loss reports on the web site are not included on the NDM reports. So the fact that the web site is inaccurate shows that the NDM reports are even more inaccurate than previously thought.

Service Order Accuracy

8. The problems that MCI has experienced as a result of BellSouth's failure to accurately process orders are ongoing. BellSouth order processing errors continue to lead to misrouting of intraLATA calls, inaccurate provisioning of features, delayed updates to Customer Service Records ("CSRs") and loss of dial tone.

A. Misrouting of IntraLATA Calls

9. BellSouth has taken no steps to correct the mistranslation of switches that leads to incorrect routing of intraLATA calls. As of March 25, based only on active records, not records archived on January 25, 2002, MCI has 4,220 customers whose intraLATA calls are being misrouted – with 37,097 active call records routed incorrectly. This is up from 15,904 call records for 2,694 customers as of March 1. Moreover, the 37,097 active call records that are

[1] MCI also pulled data off the web site on March 18. Almost all of the ANIs pulled on March 18 were transmitted via NDM by March 25. However, the March 18 data is suspect, for on that day there were less than 1/3 as many ANIs on the web site for MCI as there were in preceding days or subsequent days. This suggests the March 18 data may be unreliable.

inaccurate in the 60 days since MCI last archived records on January 25 shows a worsening trend in another way. 37,097 call records in 60 days is significantly more than 2/3 of the 47,000 records archived in the 90 days prior to January 25.

10. Misrouting of intraLATA calls deprives the customers of their choice of intraLATA carrier, deprives the proper intraLATA carrier of revenue, and forces the CLEC to pay BellSouth to transmit daily usage feeds ("DUF") for call records that should never have been created in the first place. Yet despite these substantial impacts, BellSouth for months has done nothing to fix the problem. Apparently, as with other problems, BellSouth believes it does not have to act absent pressure from a regulatory body.

11. BellSouth now states that there really is no problem with misrouting of intraLATA calls. Ruscilli/Cox Decl. ¶¶ 5-9. According to BellSouth, when customers migrate from BellSouth to a CLEC, BellSouth expands the local calling area for the customers so that what were formerly intraLATA calls are thereafter local calls. This is inconsistent with BellSouth's prior acknowledgment that the intraLATA calls were misrouted as a result of switch translation issues. Scollard Reply Aff. ¶ 2. It is amazing that BellSouth continues to provide new and different information in filings that it fails to provide directly to MCI on a business to business basis, despite repeated requests.

12. Moreover, BellSouth's explanation is dubious at best. MCI has found customers in both Georgia and Florida for whom intraLATA calls are being routed to the MCI intraLATA switch, showing that BellSouth's explanation does not apply to all customers. In addition, calls for many of these customers are being routed to BellSouth's switch some of the time for intraLATA calls and to MCI's switch for other intraLATA calls – even though these are calls to the same number! For example, on February 2, 2002, customer 4IM88191 made three toll calls from 770-

252-4614 to 706-882-1897. Two of the three calls were on the customer's MCI invoice dated February 3, 2002, meaning that the calls were routed to the MCI switch. The third was on the DUF transmitted by BellSouth, meaning that it was routed to a BellSouth switch. This is not an isolated example. Indeed, MCI has identified 80 customers for whom some intraLATA calls were routed last month to MCI switches and some to BellSouth switches. Twelve of these customers had calls to the same number routed to MCI switches on some occasions and to BellSouth switches on other occasions.

13. Even if BellSouth's new explanation were correct, however, it does not resolve the problem. BellSouth states that "[m]any CLECs . . . have agreed to LATA-wide local termination of UNE-P." Ruscilli/Cox Aff. ¶7. MCI is not one of them. MCI never gave BellSouth permission to change the scope of the calling area for its customers. (Indeed, MCI has been unable to locate any documentation regarding BellSouth's contention that this change was to apply to all CLECs and to all local toll calls.) This change would have the same negative effects discussed above. The calls would be routed through the BellSouth switch, instead of the switch of the intraLATA carrier. This would deprive the intraLATA carrier – generally MCI – of revenue. It would also lead BellSouth to transmit records for these calls to the CLEC on the DUF and to bill the CLEC for these records – even though these should not have been local calls in the first place.

14. Indeed, BellSouth does not in the end really defend its practice as acceptable for carriers such as MCI that also have an intraLATA subsidiary. BellSouth acknowledges that "[t]he enlarged calling scope . . . can impact differently CLECs that also have an intraLATA tollcarrier subsidiary (i.e., MCI and WorldCom). In this case, the majority of the CLEC's end users would show the Local Presubscribed Interexchange Carrier ('LPIC') Code of the toll subsidiary. The

toll subsidiary, however, would not be able to carry and automatically bill for some intraLATA toll traffic due to the larger footprint of the UNE-P local calling scope." Ruscilli/Cox. Aff. ¶ 8. In other words, the BellSouth practice would result in loss of revenue for the intraLATA carrier – generally MCI.

15. BellSouth suggests that MCI could nonetheless bill for the traffic routed to BellSouth switches because it could use the DUF records to determine which calls were previously considered intraLATA calls and again bill these calls as intraLATA calls. That is absurd. MCI's systems are set up to bill intraLATA calls based on traffic at MCI's switches. It would take enormous effort and expense to take the DUF, separate those calls that were formerly considered intraLATA calls, and bill them as intraLATA calls.

16. Moreover, if MCI did undertake this effort, there would be no dialing parity. A customer who chose MCI as a CLEC would automatically have his intraLATA calls routed to the BellSouth switch. He would in turn be billed for those calls as an MCI intraLATA customer. There would be no way that he could choose a different intraLATA carrier, such as AT&T. In contrast, a BellSouth retail customer could choose whatever intraLATA carrier he wanted.

17. Presumably that is why BellSouth previously did not state that it would always provide a LATA-wide calling area for CLEC customers. In fact, in a March 22, 2001 presentation, BellSouth provided call flows showing that UNE-P calls were supposed to follow the intraLATA PIC. (Att. 3.) In a May 18, 2001 carrier notification letter, BellSouth announced that CLECs had the *option* of entering an agreement with BellSouth under which local calling areas would be expanded to be LATA wide. (Att. 4.) Under this option, however, the CLEC had to select BellSouth as the intraLATA PIC and BellSouth would then bill the CLEC for UNE transport and switching charges associated with using the BellSouth LPIC. A May 23, 2001 BellSouth

presentation similarly shows LATA-wide local calling as an option available to CLECs. (Att. 5.) For CLECs that chose not to pursue this option, however, CLEC customers would receive the same dialing arrangements as they did as BellSouth retail customers – in order to receive dialing parity. (Att. 5.) MCI did not pursue this option. But BellSouth now indicates that MCI had no choice.

18. BellSouth implicitly admits its mistake. BellSouth states that it "has been working to resolve this issue," Ruscilli/Cox Aff. ¶9, thereby acknowledging that there is an issue that needs resolution. Of course, despite MCI's repeated requests for information over many months on misrouting of intraLATA calls, BellSouth's filing in this docket is the first time BellSouth has provided the explanation about expanded calling scope. It is also the first time that MCI received BellSouth's promise of a planned fix.

B. Erroneous Provisioning of Features

19. BellSouth also has not ensured that features are provisioned correctly. As far as we are aware, BellSouth has not taken any steps to fix this problem since MCI conducted its last audit showing continuing problems in this area. An MCI audit of 400 customers who purchased MCI service between February 17 and February 23 shows that, as of March 27, 390 orders had been provisioned and remained MCI customers. (MCI had not received line loss notifications for 3 of the 8 customers who returned to BellSouth). Of the 390 provisioned orders, ten accounts had feature discrepancies (such as incorrect blocking options) and two accounts showed that the CSR had not been updated to reflect MCI ownership – more than a month after service had been sold. This is an error rate of 3.1%. – calculated as a percentage of all orders, not just manually processed orders. There is no excuse for such a high number of important errors.

20. KPMG's numerous exceptions in Florida concerning inaccurate order processing remain open. BellSouth's "revised" metric on order accuracy has not convinced KPMG that its order accuracy is now acceptable.

C. BellSouth Does Not Update CSRs In A Timely Fashion

21. BellSouth also has taken no new steps to ensure that it updates CSRs in a timely manner, a problem that results from defects in BellSouth's ordering process. Delays in updating the CSRs lead to rejects and double billing. When, after receiving a CLEC order, BellSouth fails to update its CSR to reflect that the CLEC has become the customer of record, BellSouth will reject any supplemental order from that CLEC with the message "CLEC does not own this account" or other similar reasons. MCI has been receiving a relatively high percentage of rejects for these reasons but did not know how many of these rejects were attributable to BellSouth's delay in updating the CSRs.

22. MCI recently took a sample of 40 orders (out of 153) that were rejected in Georgia and Florida the week of March 8 for reasons such as "CLEC does not own this account." On March 11, MCI pulled the CSRs for these 40 customers. Although in the week of March 8 the CSRs had reflected that MCI did not own the accounts, on March 11, 7 of 20 sampled CSRs in Georgia and 8 of 20 sampled CSRs in Florida reflected MCI ownership of the account – a total of 37.5% of the sampled orders. Presumably this percentage grew larger as additional CSRs were updated. But at least for the 37.5%, it is clear that the reason the CSRs did not reflect MCI ownership the week of March 8 was that BellSouth had failed to update the CSRs in a timely fashion. It is reasonable, therefore, to assume that at least 37.5% of orders BellSouth rejects for reasons such as "CLEC does not own this account" are invalid rejects. This amounts to 2.9% of the total rejects transmitted by BellSouth to MCI.

23. In its March 27, 2002 *ex parte*, BellSouth states that the percentage of CLEC orders that were sent to the hold file was only .6% in January in Georgia. But BellSouth has previously indicated that the hold file is not the only cause of delays in updates to the CSRs. Moreover, in a presentation BellSouth made in Florida, BellSouth stated that the CSR was only updated within 24 hours of order completion 80% of the time, and was only updated within 72 hours 93% of the time. (Att. 6.) But CLECs often send supplemental orders within the first 72 orders. Moreover, for the 7% that were not updated in 72 hours, BellSouth did not provide data on when the updates did occur. For these customers, CLECs that want to transmit a supplemental order will have to send the order over and over again until the CSR is updated, as the CLEC has no way of knowing when the update occurs. The customer is also likely to be double billed in the interim.

D. BellSouth's Ordering Process Continues to Lead to Loss of Dial Tone.

24. BellSouth order processing errors also have continued to lead to loss of dial tone. Although this problem may have been fixed on March 23 with BellSouth's implementation of a single C order process, it is too early to determine the impact of the March 23 fix.

25. At least prior to March 23, however, it was clear that significant loss of dial tone continued. We have long maintained that the loss of dial tone experienced by MCI customers is largely due to BellSouth's two-service-order migration process. We have also suggested that BellSouth sometimes changes facilities during the process of UNE-P migration and that this leads to loss of dial tone and other problems. This has now received dramatic confirmation. MCI recently asked BellSouth to investigate the cause of lost dial tone for a number of customers. On one trouble ticket, BellSouth explained the problem as follows: "[t]he Technician found a faulty cable pair and changed the facilities." This made it appear that the problem was unrelated to the two service order process and would have occurred even if the customer had not

migrated to MCI. After investigation, however, BellSouth acknowledged that "[d]ue to a records discrepancy, the facilities changed on the conversion order. However, Single C implementation will resolve this issue."

26. In other words, the information listed on the trouble ticket masked the true cause of the problem: because of BellSouth's two service order process, BellSouth changed the facilities on the order, and the new facilities were faulty. This is an astonishing admission. For the first time, BellSouth has acknowledged that its two service order process sometimes causes it to change facilities on a UNE-P migration order that should never require new facilities. Moreover, it shows, as we have long suspected, that even when the trouble ticket information concerns facilities, the real source of the trouble is often the two service order conversion process.

27. BellSouth's investigation of a second telephone number that lost dial tone produced similar results. On the trouble ticket for the second telephone number, BellSouth stated, "Open in the CO. The CO technician had worked the OE change on the order prior to receiving the trouble ticket." After investigation, however, BellSouth stated "Due to a records discrepancy, the implementation of the OE change was performed incorrectly by RCMAC and CO personnel. The Technician has been covered on the proper implementation of an OE change order and on going training will be provided." Once again, BellSouth acknowledged that records discrepancies and incorrect handling of the D and C order caused the end user to lose dial tone.

28. As mentioned, BellSouth's problem with loss of dial tone may have been corrected on March 23 when BellSouth implemented a single C ordering process. It is far too early to tell, however. For now, what we know is that BellSouth's prior process did not work, that it attempted to mask the problems with that process, that it failed to implement a new process on

time, and that, as a result, it is not yet clear that BellSouth's ordering process can avoid the most basic of all problems – loss of dial tone.

29. MCI did submit test orders to evaluate the single C process. These test orders received the appropriate responses. However, BellSouth's test environment does not include any of the back-end systems where the change to a single C process has its primary effect. Thus, the test cannot show whether the single C process is working.

30. Moreover, on March 26, 2002, three days after BellSouth implemented the single C process, BellSouth sent an outage notice reporting that "LENS and EDI are currently experiencing a system outage. Outage #2424 was first reported March 25 and verified at 9:08 AM CDT on March 26. Some denial and restoral orders are receiving "CUSTOMER SERVICE RECORD QUERY FAILED. BLP1004CSR." We do not know whether this outage is related to the single C process, but it may well be. We still do not understand the outage, because BellSouth's message suggests that the failure is a pre-order failure for LENS and EDI, yet BellSouth does not have EDI pre-ordering. Of course, BellSouth should have provided a better explanation of the outage and should have reported it when it first occurred, rather than waiting a day.

31. In any event, even if BellSouth has finally fixed the specific problem of lost dial tone, it is clear that BellSouth has not fixed its more general problem with order accuracy.

Due Date Calculator

32. As I discussed in my prior declaration, MCI frequently submits supplemental orders to change due dates. When it does so, BellSouth generally changes the due date as requested but does not return the correct due date information to MCI on the FOC. At the time I submitted my

prior declaration, we believed that BellSouth intended to fix this problem on March 23. BellSouth has not done so, however.

33. On January 24, 2002, BellSouth stated that the problem with inaccurate due dates would be fixed with implementation of CR0620, which at the time was scheduled for April 6 and later moved up to March 23. MCI informed BellSouth that the description of CR0620 did not appear to cover supplemental orders to change due dates but was assured that the fix would cover these orders. Later on February 27, BellSouth's change control representative stated that the March 23 change would *not* cover supplemental orders to change due dates. The next day, however, the account team said the change request would include such orders.

34. Then, last week, only days before the March 23 change, BellSouth informed MCI that the change would not fix the problem experienced by MCI. The change would only fix "Supplemental 3s" – supplemental orders that requested a number of different changes – but would not cover "Supplemental 2s" – supplemental orders that requested only a change in due date. Thus, BellSouth finally made clear that the change request would not fix the problem experienced by MCI.

35. BellSouth attempted to excuse this failure by asserting that the problems on MCI's orders were not related to a systems defect, but rather were the result of manual processing errors. It this were the correct explanation, however, it would only underscore the extent of BellSouth's manual processing and the harmful impact of such manual processing. But the truth is that BellSouth's explanation makes no sense. To begin with, the problem occurs on 100% of MCI supplemental orders to change due dates. For BellSouth's explanation to be correct, all of these orders would have to fall out for manual processing – something BellSouth has never previously admitted. Moreover, BellSouth representatives would have to make the exact same

manual errors on all of these orders. And these manual errors would have to effect only the date returned on the FOC. But BellSouth does appear to be accurately updating its CSOTs web site to reflect the due date and is generally provisioning the orders on the new due date, so somehow this "manual error" is not affecting the downstream systems into which these manual orders are entered. On the surface, this appears to be impossible. The BellSouth service representative types the order into the BellSouth systems. The same systems return the FOC, update the CSOTs web site, issues the service orders to migrate the customer, and issue the service order completion. Thus, a manual error in step 1 would seem certain to cause errors in the steps that follow. MCI continues to press BellSouth for an adequate answer to this question. In the interim, we continue to request a software fix to the Supp 2 problem.

36. BellSouth has not yet provided a new date by which it will fix this problem. The problem is important. Because MCI cannot rely on the due dates provided on the FOCs, it must manually look up the due date on every supplemental order it submits to change due dates. This adds significantly to MCI's cost as the number of such orders is very high.

37. Moreover, BellSouth's repeated about-faces on whether it was going to fix the due date problem on March 23 demonstrate BellSouth's continuing problems in working effectively to correct CLEC problems and providing accurate information to CLECs. Neither BellSouth's account team nor its change management personnel had complete information on the extent of the March 23 change. And despite the importance of the defect and the requirements in the change control process regarding correction of defects, BellSouth apparently felt no urgency to correct the defect.

Manual Processing

38. BellSouth also has not taken any steps to automate the basic UNE-P orders that fall out for manual processing. BellSouth does not plan to automate orders for retail customers with voice mail or call forwarding until May – despite saying last October that it intended to fix the problem. Contrary to BellSouth's implication in its March 27, 2002 *ex parte*, prior to August of 2001, BellSouth never explained that such orders would fall out for manual processing and MCI never agreed that they should. As soon as MCI learned of the problem in August 2001, it protested and BellSouth promised to fix the problem. Unfortunately, it still has not done so.

39. Moreover, it has now become clear that there is a second reason basic UNE-P orders are manually processed, beyond the problems associated with voice mail or call forwarding. As I noted in my prior declaration, on February 19, after a significant delay, BellSouth finally turned over to MCI data on the causes of manual fallout on a sample of MCI orders. MCI learned for the first time that much of the manual processing on its orders was caused by the "OZIP," "OISF," and "ZDCO" FIDs, as well as the ZLIG FID of which it was already aware. (The ZLIG FID shows that the retail customer had voice mail or call forwarding.) MCI asked follow up questions regarding the OZIP, OISF, and ZDCO FIDs and was told that BellSouth itself did not know what they were.

40. Then, on March 5, BellSouth sent an e-mail purportedly explaining these FIDs. BellSouth stated that the OZIP FID meant that "the directory section of the retail account has incorrect format." (Att. 7.) In other words, the orders fell out for manual processing because of internal database issues on BellSouth's side – something never before disclosed to MCI. There is no reason that such database problems should cause orders to fall out. If BellSouth wants to clean up its databases – as it should – it must do so in a way that effects CLECs and retail

customers equally. It should not clean up the databases during the migration of customers to CLECs – which leads to delay and errors in processing of CLEC orders.

41. In the same March 5 e-mail, BellSouth explained that the OISF FID is a "Bill Fid valid for BellSouth retail accounts," and the ZDCO FID is a "Bill Fid valid for BellSouth retail accounts in Florida." (Att. 7.) This information continues to leaves us perplexed, and we sent an immediate response to BellSouth with additional questions. BellSouth has not yet responded to that request. One thing that is clear, however, is that these are internal BellSouth issues. Indeed, BellSouth concluded its March 5 e-mail by stating that it "has identified the flow through errors in reference to the listed FID's and are working on a process correction; however, a targeted date of completion has not been determined." (Att. 7.) Of course, BellSouth would have identified these issues long before February 19 if it had conducted the type of root cause analysis of manual fall out that we have always maintained is necessary.

42. BellSouth's response also further undermines its reliance on its performance data to show acceptable levels of automation. Some of the orders that BellSouth states fell out because of the presence of the OZIP, OISF and ZDCO FIDs are designated as CLEC-errors in the spreadsheets attached to BellSouth's message on February 19. In particular, there were 7 instances (out of 40) where the "Bill FID" reason was attributed to error number 1000 which is CLEC caused. There were also 2 instances (of 28) where the ZLIG FID (associated with call forwarding and voice mail) was attributed to CLEC errors. But all of these orders fell out as a result of internal BellSouth issues, as BellSouth has acknowledged. Such inaccurate determination of the causes of manual fall out would significantly inflate BellSouth's flow through numbers.

43. Although BellSouth asserts that the total number of MCI LSRs affected by the call forwarding/voice mail issue was approximately 2.5% (March 27 *ex parte*), these numbers are dubious since it is clear that BellSouth sometimes lists LSRs that fall out for these reasons as CLEC errors. Even more telling, in Florida, BellSouth has provided MCI a breakdown of the number of MCI orders that fall out as a result of the OZIP, OISF, and ZDCO FIDs, as well as the ZLIG FID for retail customers with voice mail or call forwarding. (Att. 9.) This breakdown shows that 353 MCI orders fell out for these reasons in November and December of 2001. This is 18% of MCI's Florida orders in those months. Presumably, a similar percentage of Georgia orders are falling out for these reasons. There is no reason basic UNE-P orders should fall out for manual processing as a result of BellSouth systems issues. In the Verizon and SWBT regions, MCI orders do not fall out for such reasons.

Change Management

44. The most fundamental problem with BellSouth's OSS is the inadequacy of its change management process. Until today, no progress had been made in improving BellSouth's change management process since I filed my previous declaration. BellSouth had not agreed to any of the key modifications suggested by CLECs that would better ensure implementation of needed changes and implementation of those changes without disruption to CLECs. In a meeting today, March 28, it appears that BellSouth has now agreed to one key change needed to improve its change management process: it has agreed to a broader definition of CLEC-affecting change. This would be a significant improvement. But much more remains to be done.

45. It remains clear that BellSouth does not have a process in place to ensure implementation of needed changes. In fact, in KPMG's revised Interim Status Report in Georgia, which BellSouth attaches to its February 28, 2002 *ex parte*, KPMG notes that "[t]he fact that Features

with the highest priority setting, and Defects with the highest priority, have remained open for over seven months could indicate that BellSouth is either not tracking the closure of the changes, is not working appropriately to resolve the changes, or has incorrectly assigned the priority setting." Redline version at 11. The reality is, as I have discussed before, BellSouth is not working appropriately to resolve the changes.

46. With the important exception of agreeing to a broader definition of CLEC-affecting change, BellSouth has not taken any new steps to address this problem. It has not agreed to implement prioritized changes in a fixed time period. It has not yet agreed to make billing part of the change management process. It has not agreed to greater involvement of IT personnel in the change management process. And it has not backed away from its position that its 40% proposal represents an effective way to ensure that CLEC prioritized changes are implemented.

47. Moreover, BellSouth still has not shown that it can smoothly implement those changes it does implement without causing significant harm to CLECs. I have previously discussed the problems with BellSouth's recent efforts to implement migration by TN and parsed CSRs – including delayed provision of documentation to CLECs regarding these changes, provision of incorrect information to CLECs, and implementation of these changes before significant defects had been fixed.

48. BellSouth responded by suggesting that the releases eventually worked and indicating that all releases will always have some defects. But KPMG has confirmed what we previously maintained – BellSouth failed to provide proper notice and the level of defects was far from typical of ILEC releases generally.

49. In Exception 155, which KPMG opened in Florida on February 22, 2002, KPMG made clear that BellSouth still "fails to provide the Business rules and user requirements for Minor

releases in accordance with the intervals defined in the Change Control Process." KPMG notes BellSouth's delay in providing business rules for parsed CSRs. KPMG also notes that a similar failure occurred with the next release, release 10.4, which was implemented on March 23. BellSouth states that BellSouth announced that pre-order business rules for release 10.4 would be available for this March 23 release on March 8 when they should have been available on February 16, and also released user requirements months after they were due. (Att. 2.) Moreover, BellSouth did not even provide the business rules on March 8. After KPMG issued this Exception, BellSouth subsequently released carrier notification letter SN91082914 stating that the revised business rules would be released on *April 5*, after the release had been implemented. (Att. 10.)

50. As I noted in my prior declaration, KPMG also released Exception 157 based on the significant number of defects in each release. KPMG correctly concluded that this shows a failure in BellSouth's internal testing process. This is a critical problem, and it appears to have continued. In today's meeting, BellSouth announced that there were at least two defects in its March 23 release. Although posted on BellSouth's web site, neither of these defects was properly announced via change control notices.

51. BellSouth also has not yet created an acceptable environment in which CLECs can test. As we have previously noted, BellSouth's CAVE environment is not truly independent. Moreover, BellSouth requires unnecessary coordination with CLECs before testing can begin. BellSouth requires CLECs to submit a test agreement each time they want to test and to have a kickoff meeting with BellSouth for testing. In other regions, a CLEC can simply begin testing after informing the ILEC. This is important. BellSouth recently informed MCI that it could not test the single C order process because it had not returned a test agreement soon enough. But

MCI should not have been required to return a new test agreement at all, much less by a particular deadline. While BellSouth relented and allowed testing, there is no reason BellSouth should have such control to preclude testing.

52. Even after changes have been tested and implemented, BellSouth fails to work effectively with CLECs to resolve any problems they are experiencing. While BellSouth has worked with MCI to reduce some problems, such as errors in manual processing, that has often required circumventing the existing account team process. For example, the number of erroneous manual rejects received by MCI only diminished after MCI managed to get attention of a BellSouth vice president – who previously was not even aware of the problems with erroneous rejects.

53. On March 7, 2002, KPMG opened Observation 170 in Florida because "BellSouth's External Response Team (ERT) Account Management sub-process for responding to written CLEC correspondence is not documented." (Att. 2.) KPMG explained that without such criteria the ERT process might not be "utilized on a consistent, repeatable basis," which could "negatively impact a CLEC's ability to conduct business." On March 7, KPMG also opened Observation 165 because "BellSouth's Account Team/CLEC Care Team Procedures documentation is unclear." (Att. 2.) These observations supplemented KPMG's prior observations regarding the account team process. KPMG had previously observed that "[t]he BellSouth Account Team does not respond to CLEC inquiries within the documented customer contact timeframes." Obs. 115 (Sept. 17, 2001). (Att. 2.)

54. MCI's experience is consistent with KPMG's findings. BellSouth continues to take months to address basic CLEC questions, in part as a result of its ERT process. For example, on January 3, 2002, MCI requested that BellSouth provide an explanation of how it updated a

customer's CSR, as well as the switch information on a customer, when the customer migrated to a CLEC. BellSouth initially refused to answer the question and then attempted to avoid it. On January 24, BellSouth finally stated that the process was going through ERT. The ERT response was not provided until February 25, 2002.

55. Similarly, as I discussed above, at the beginning of January 2002, MCI requested that BellSouth analyze a sample of MCI orders that had fallen out for manual processing to determine the cause of the fall out. BellSouth estimated that it would provide such a sample in two weeks. It later delayed this and stated that it would provide the information on January 31. On January 31, however, BellSouth stated that the request was going through ERT and provided no date on which it expected to respond to the request. Just as KPMG suggested, the ERT process was used as an excuse to delay answering MCI's questions. Finally, on February 19, the day after it was requested to do so by a Florida Commissioner, BellSouth provided the requested information. But this information was incomplete. As noted above, BellSouth still has not provided complete answers describing the ZDCO and other FIDs listed in its February 19 response.

56. BellSouth's lack of responsiveness is apparent even when it does not turn to the ERT process. For example, on October 3, 2001, shortly after MCI first learned that orders for customers with voice mail and call forwarding fall out for manual handling, BellSouth promised that it would quickly fix the problem. For months thereafter BellSouth failed to provide an update. BellSouth later said that a fix would be implemented in 2002; but then retracted this promise. Finally, on February 18, BellSouth stated that a fix would be implemented on May 18, 2002. MCI continues to request documentation showing the change will occur. But BellSouth has not provided the documentation. MCI is concerned that, as with BellSouth's promise to fix the due date problem on supplemental orders, promises not accompanied by written

documentation will dissolve before implementation. Additional examples of BellSouth's lack of responsiveness are provided in Attachment 11.

57. The fact is that the defect at the core of all of BellSouth's OSS problems to date – its inadequate change management process – has not been fixed. While BellSouth has made some progress in addressing particular OSS problems in recent months, it has not yet shown that its change management process works. Nor has it adopted modifications sufficient to ensure that this process will work in the future. Until it does, fixes to current OSS problems will prove only temporary. Future changes in the marketplace will create need for additional changes to BellSouth's OSS, and without any assurance that those changes will be made – and implemented smoothly – competition will become more difficult, rather than less difficult, in the future.

CONCLUSION

58. This concludes my declaration on behalf of WorldCom, Inc.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 28, 2002.

/s/ Sherry Lichtenberg